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September 20, 1995

Mr. Michael E. Szymanczyk
Senior Vice President, Sales and Marketing
Philip Morris USA
120 Park Ave.
New York, NY 10017-5592

Dear Mr. Szymanczyk:

Enclosed is a copy of a new teaching case entitled: Philip Morris Cos.: Marlboro Friday (A) & (B). This case was prepared from public information by Bruce Isaacson (a doctoral student here) and myself for use in a course on "Brand Marketing." The course is part of the marketing curriculum offered in the second year of our MBA program here.

As I'm sure you are aware, the events surrounding "Marlboro Friday" are widely regarded as a milestone in marketing history and are of great interest to MBA students. Drawing on materials found in published sources, we have attempted to capture the strategic challenges you and your colleagues at Philip Morris USA faced in the spring of 1993, and to present the essential features of the marketing program which you introduced on that fabled Friday.

The case has two parts. Part A describes the cigarette industry in the early 1990's, briefly reviews the history of Philip Morris and Marlboro, and sets forth the key elements of the program announced in Marlboro Friday. Students are challenged first to analyze the likely effectiveness of the new strategy in accomplishing its stated objectives and then to consider the long term implications of these developments for branding and brand management. The B case is short and serves as a postscript to the A case. Competitive reactions to Marlboro's actions are reviewed and data on the evolution of prices and market shares are summarized. The B case is intended to stimulate further discussion of the long term implications of Marlboro Friday.

It is normal practice to inform a firm when we have independently written a case pertaining to their operations from public sources. My colleagues here, Das Narayandas and John Quelch, suggested you would be the appropriate person at Philip Morris to contact.

Because this document was prepared from public sources, I am not requesting formal approval or endorsement of the case (which we do seek when a case is

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